

# MISSING PAGE

ORIGINAL DOCUMENT MISSING PAGE(S):

TAB 9-8-Missing

DOS review completed

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## GENERAL

1. USSR and Poland may recognize Jewish state--US Ambassador Douglas in London transmits the opinion of the British Foreign Office that the USSR and Poland "will lose no time" in recognizing the Jewish state (to be proclaimed in Palestine on 16 May), and that Soviet and Polish consulates will be established in Tel Aviv shortly after 16 May.

(CIA Comment: Such recognition appears probable unless the General Assembly takes positive action before 16 May to abrogate its partition recommendation of 29 November 1947.)

2. US position on Italy in European defense--The Department of State has informed US representatives in the five countries of the western European union that the US considers the possible inclusion of Italy in the western European defense system to be a question for those countries to decide, although the US feels that Italy's inclusion would be natural and desirable. The Department believes that the increased liability to the Brussels-pact countries which would be consequent to Italy's inclusion would be offset by US support of those countries and by the establishment of a united front to prevent any part of western Europe from being attacked and overrun. The Department is inclined to question the practicability of a separate Mediterranean defense system and doubts that such a system would lessen the problem of Italian military restrictions under the peace treaty.

## EUROPE

3. FRANCE: Dollar shortage threatens recovery imports--US Embassy Paris reports that the French Ministry of Finance has expressed grave concern over a critical absence either of dollar funds or of any procedure for the interim financing of imports to France under the European recovery program. The Embassy was told that additional dollar resources are in sight

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for later in May, but they are not immediately available. The Ministry fears that this condition will cause a serious interruption this week of deliveries to France of petroleum products, cotton, and the non-ferrous metals. Ministry officials believe that suspension of these imports can be avoided only by rapid assistance from the US, possibly in the form of a "pump-priming" arrangement by the US Treasury.

4. **GERMANY: Soviet attempt to interrupt US air traffic--**According to Acting US Political Adviser Chase, US officials received Soviet notification on 4 May that no flying would be permitted that night over the greater Berlin area. Chase reports that the US representative, in accordance with his instructions, informed his Soviet colleague that the US did not recognize such unilateral action. Chase adds that US airplanes from the Tempelhof Air-drome carried out a previously scheduled night operation, consisting of a normal training flight over the greater Berlin area.

(CIA Comment: CIA believes the Soviet action is an attempt to probe US reaction to Soviet-imposed regulations on air traffic between Berlin and the west and may be followed by more determined moves to restrict the air traffic of the western powers.)

NEAR EAST-AFRICA

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6. IRAN: Receipt of April note from USSR confirmed--US Ambassador Wiley reports that he has now seen the latest Soviet note to Iran, as well as the Iranian reply. (Delivery of the Soviet note to Iran was reported by US representatives on 24 April. According to Wiley, the latest exchange of views is a reiteration of those expressed in March, when the USSR alleged that the situation in Iran threatened the security of the USSR. Wiley adds that the Soviet attitude is menacing.

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